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UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF WASHINGTON

ENRIQUE JEVONS as managing  
member of Jevons Properties LLC,  
JEVONS PROPERTIES LLC,  
FREYA K. BURGSTALLER as  
trustee of the Freya K. Burgstaller  
Revocable Trust, JAY GLENN and  
KENDRA GLENN,

Plaintiffs,

vs.

JAY INSLEE, in his official  
capacity of the Governor of the  
State of Washington and ROBERT  
FERGUSON, in his official capacity  
of the Attorney General of the State  
of Washington,

Defendants.

Case No. 1:20-cv-03182-SAB

**FIRST AMENDED COMPLAINT**

Comes now, Richard M. Stephens and Stephens & Klinge LLP,  
Attorneys at Law, on behalf of Plaintiffs Enrique Jevons as managing

1 member of Jevons Properties LLC, Jevons Properties LLC, Freya K.  
2 Burgstaller as trustee of the Freya Burgstaller Revocable Trust, Jay  
3 Glenn and Kendra Glenn and allege as follows:

### 4 INTRODUCTION

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6 1. In the wake of the novel coronavirus, Defendant Governor Jay  
7 Inslee, State of Washington, ("Defendant" or "Governor") State of  
8 Washington hastily instituted a series of emergency proclamations  
9 numbered as Proclamation 20-19 through 20-19.4 which prohibit people  
10 who provide rental housing from exercising their contractual and  
11 statutory remedies to evict tenants who have no right to remain in their  
12 property. These includes tenants who refuse to pay rent for any or no  
13 reason whatsoever, knowing that they cannot be evicted for not paying  
14 rent and cannot be charged any late fees or be subject to an enforceable  
15 debt or obligation that is collectable for being delinquent on rental  
16 payments.  
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22 2. Plaintiffs are sympathetic to tenants who have actually suffered  
23 hardship due to the COVID-19 Pandemic. Plaintiffs have every  
24 incentive to work with those tenants who do not have the financial  
25 means to pay all or some portion of their rent. However, the  
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1 Proclamations actively undermine any such attempts at cooperation  
2 and allow tenants who have the ability to pay all or some of their rent  
3 to ignore and ultimately escape their contractual obligations for the  
4 foreseeable future regardless of whether they have been financially  
5 harmed by the Pandemic.  
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7  
8 3. While many businesses have suffered as a result of the Pandemic,  
9 the owners of rental property are the only people who are required by  
10 any of the Governor's emergency proclamations to continue to provide a  
11 good or service without charge. Stores and restaurants lost business  
12 opportunities due to the Pandemic, but they were not required to  
13 continue to provide goods or food to customers without an ability to  
14 charge for the items they sold. The Governor's Proclamations regarding  
15 eviction require housing providers to continue to provide rental housing  
16 without an ability to insist that tenants pay for the privilege they  
17 purchased when they voluntarily entered into their leases.  
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20 4. Additionally, the owners of rental property are still required to pay  
21 property taxes and, in many situations, pay for sewer, water, garbage  
22 services even though the tenants in their property are not paying rent.  
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1       5. The Proclamations violate the rights of people who provide rental  
2 housing by destroying a fundamental feature of their contracts,  
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4 oppressively placing on them the burden of providing free housing to  
5 any and all tenants instead of properly spreading the burden on the  
6 public as a whole, and essentially mandating that their property be  
7 used for private use by tenants, a burden which is absolutely prohibited  
8 by Article I, Section 16 of the Washington state constitution.  
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### 11                   **JURISDICTION AND VENUE**

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13       6. This action arises under the Article I, Section 9 and the Fifth and  
14 Fourteenth Amendments to the United States Constitution and 42  
15 U.S.C. § 1983. Accordingly, this Court has federal question jurisdiction  
16 pursuant to 28 U.S.C. §§ 1331 and 1343. This action also seeks relief for  
17 violation of state constitutional rights pursuant to Article I, Section 16  
18 of the Washington state constitution (the “Takings Clause”). This Court  
19 has jurisdiction over this state law based claim through supplemental  
20 jurisdiction pursuant to 28 U.S.C. § 1367(a). This Court has authority to  
21 award the requested declaratory and injunctive relief pursuant to 28  
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1 U.S.C. § 2201, 28 U.S.C. § 1343(a) and 42 U.S.C. §§ 1983 and 1988(a);  
2 and award recovery of attorney's fees pursuant to 42 U.S.C. § 1988(b).  
3

4 7. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b)(1)  
5 and (2) because a substantial part of the events giving rise to Plaintiff's  
6 claims occurred in this district and all of the property that is the subject  
7 of this action is situated in this district.  
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### 10 PARTIES

11 8. Plaintiff Enrique Jevons is the managing member and owner of  
12 Jevons Properties LLC which owns residential rental property rented to  
13 tenants in Yakima, Washington. Mr. Jevons is a resident of Yakima  
14 County.  
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17 9. Plaintiff Freya K. Burgstaller is the trustee of the Freya K.  
18 Burgstaller Revocable Trust, the owner of residential rental property  
19 which is rented to tenants in Yakima, Washington. Freya Burgstaller is  
20 a resident of Yakima County.  
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23 10. Plaintiffs Jay and Kendra Glenn are the owners of residential  
24 rental property which is rented to tenants in Yakima, Washington. The  
25 Glenns are residents of Utah.  
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1 11. Defendant Jay Inslee (Governor) is sued herein in his official  
2 capacity as the Governor of the State of Washington, who is the  
3 promulgator of the Proclamations and the executive officer with the  
4 responsibility to enforce his Proclamations. Because this case seeks only  
5 declaratory and injunctive relief, Jay Inslee is a “person” who can be  
6 subject to suit under 42 U.S.C. §§ 1983 and 1988.  
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10 12. Robert Ferguson is sued in his official capacity as Attorney  
11 General of the State of Washington who has responsibility for and who  
12 has undertaken responsibility for enforcing the Proclamations. Because  
13 this case seeks only declaratory and injunctive relief, Robert Ferguson  
14 is a “person” who can be subject to suit under 42 U.S.C. §§ 1983 and  
15 1988.  
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### 18 STANDING

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20 13. Plaintiffs have standing because they own rental properties in  
21 this Court’s district and are directly impacted by the Proclamations’  
22 restrictions on Plaintiffs’ businesses, livelihoods and property.  
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24 14. Plaintiffs have standing to bring their claims since they are  
25 aggrieved by the Governor’s unconstitutional Proclamations, which  
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1 have the effect of forcing Plaintiffs to bare alone a public burden by  
2 entirely destroying Plaintiffs' ability to collect rent, exclude nonpaying  
3 or rule breaking tenants and/or otherwise use their properties as they  
4 rightfully so choose.  
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## 7 FACTUAL ALLEGATIONS

### 8 A. Plaintiffs and their Property

9  
10 15. Jevons Properties LLC owns properties which it rents to tenants  
11 in Yakima, Washington. Enrique Jevons is the owner and managing  
12 member of Jevons Properties LLC. One property which Jevons  
13 Properties LLC owns has a tenant which is several months behind in  
14 rent. Enrique understands that he cannot evict a tenant who is not  
15 paying rent because of the Governor's Proclamations.  
16

17  
18 16. The Freya K. Burgstaller Revocable Trust was created as its  
19 name suggests by Freya Burgstaller. Freya came to Yakima in the  
20 1960s and found a home she wanted to purchase. However, the seller  
21 insisted that whoever bought the home had to also buy the seller's  
22 second home. Freya realized the only way to obtain the house she  
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1 wanted was to acquire two homes and rent one to others. That is how  
2 she entered the rental property business.  
3

4 17. Renting property is hard work and sometimes one needs to take  
5 on the unpleasant task of evicting a tenant. In March of 2020, Freya  
6 attempted to evict a tenant who had stopped paying rent and created  
7 enough noise in her unit that Freya's other neighboring tenant  
8 repeatedly complained. During the eviction process, it became clear that  
9 eviction was banned by the Governor's Proclamation in effect at the  
10 time. So Freya is still forced to have a tenant in her property who is not  
11 paying rent and who creates noise problems for other tenants. Freya's  
12 hands are effectively tied.  
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17 18. Plaintiffs Jay and Kendra Glenn own several properties which he  
18 rents to tenants in Yakima. The Glenns have tenants who have not paid  
19 rent for seven months. Nonetheless, the Glenns are still required to pay  
20 sewer, water, and garbage services and pay taxes for unit from which he  
21 is not recovering any rent.  
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1        **B. The Outbreak of COVID-19**

2        19. The global COVID-19 pandemic (“Pandemic”) brought on by the  
3  
4 Novel Coronavirus has caused catastrophic and unprecedented  
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6 economic damage across the globe, and with it, significant loss of life  
7  
8 and fundamental changes to both world and national economies. The  
9  
10 Pandemic has turned the world upside-down, causing profound damage  
11  
12 to the lives of all Americans and to the national economy. To be sure,  
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14 State of Washington and U.S. officials have faced tremendous adversity  
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16 in planning, coordinating, and at times, executing effective nationwide  
17  
18 and statewide policies to protect the general public’s health, safety and  
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20 welfare during this time of crisis. However, the Proclamations, as well-  
21  
22 intentioned as they may be, have had an unlawful and disparate impact  
23  
24 on housing providers.  
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26        20. In response to the outbreak in the State of Washington, on  
27  
28 February 29, 2020, Governor Inslee issued a “State of Emergency”  
Order to address the threat of the spread of the Pandemic throughout  
Washington’s communities. Governor Inslee subsequently issued  
Proclamation No. 20-25 on March 23, 2020, which, among other things,

1 mandated that “all individuals living in the State of Washington” were  
2 to “stay home or at their place of residence except as needed to maintain  
3 the continuity of operations of the critical infrastructure sectors and  
4 other “essential services.”  
5

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7 **C. The Governor’s Eviction-Related Proclamations**

8 21. On March 18, 2020, Governor Inslee issued Proclamation 20-19.  
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10 In relevant part, the Order purported to suspend provisions of state law  
11 that would allow the providers of residential rental housing to evict  
12 tenants even if they were able to pay rent but chose not to do so. The  
13 Proclamation stated it was to remain in effect until April 17, 2020.  
14

15 22. On April 16, 2020, Governor Inslee issued Proclamation No. 20-  
16 19.1 which remained in effect until June 4, 2020. This Proclamation,  
17 like the others before it, has three provisions which Plaintiffs contend  
18 are in violation of constitutional rights as explained below. Those  
19 provisions are:  
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22 a. A prohibition on evictions (Eviction Moratorium), which is not tied  
23 to anything related to the Pandemic. However, it is subject to  
24 exceptions where the lessor (a) provides an affidavit that the eviction is  
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1 necessary to respond to a significant and immediate risk to the health,  
2 safety, or property of others created by the resident; or (b) provides at  
3 least 60 days' written notice of intent to (i) personally occupy the  
4 premises as a primary residence, or (ii) sell the property.  
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7       b. A prohibition on imposing fees for late payment (Suspension of  
8 Late Fees), regardless of whether the Pandemic has impacted the  
9 tenant's ability to pay and the inability to treat unpaid rent as a debt or  
10 financial obligation. The inability to treat unpaid debt as a financial  
11 obligation of the tenant is lifted only if the lessor offers the tenant and  
12 the tenant refused or failed to comply with, a repayment plan that was  
13 reasonable based on the individual financial, health, and other  
14 circumstances of that resident. However, there is no corresponding  
15 obligation of tenants to cooperate with the development of a repayment  
16 plan and tenants may to provide information that would enable the  
17 creation of a repayment plan that is reasonable based on the tenant's  
18 financial, health and other circumstances.  
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25       23. On June 2, 2020, Governor Inslee issued Proclamation 20-19.2,  
26 which was to remain in effect until August 1, 2020. On July 24, 2020,  
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1 Governor Inslee issued Proclamation 20-19.3, which was to remain in  
2 effect until October 15, 2020. On October 14, 2020, Governor Inslee  
3 issued Proclamation 20-19.4, a true and correct copy of which is  
4 attached hereto as Appendix A. It remains in effect until December 31,  
5 2020. The restrictions described above are included in all of these  
6 Proclamations with some variation in each.  
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10 24. While purportedly intended to provide relief to tenants impacted  
11 by the Pandemic, the Proclamations are not tailored to a tenant's actual  
12 inability to pay rent and significantly (and needlessly) infringe on the  
13 constitutional rights of housing providers within the State of  
14 Washington. This action seeks a ruling that Proclamations 20-19  
15 through 20-19.4 are illegal and the enforcement of Proclamation 20-19.4  
16 should be enjoined.  
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20 25. Proclamation 20-19.4, among other things, prohibits housing  
21 providers from initiating or continuing residential eviction proceedings  
22 based upon non-payment of rent. While Proclamation 20-19.4 provides  
23 no relief for housing providers and requires them to continue meeting  
24 their contractual and statutory obligations as lessors, it completely  
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1 abrogates the material obligations of lessees and eliminates all the  
2 contractual remedies housing providers ordinarily have when tenants  
3 breach their lease provisions. Under the Proclamations, tenants may  
4 continue to occupy their respective premises at no charge, utilizing the  
5 water, power, trash, sewage, and other fees that the housing providers  
6 must continue to pay without reimbursement. By stripping all remedies  
7 away from owners – without requiring tenants to demonstrate an  
8 inability to pay rent – the Proclamations create a legal disincentive for  
9 tenants who can pay all or some of what they owe from doing so because  
10 there is no recourse for such calculated behavior.  
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16 26. The Proclamations fail to address how a housing provider would  
17 be able to collect rent from those tenants who take advantage of the  
18 Eviction Moratorium. Indeed, the Governor has banned housing  
19 providers from pursuing their primary remedy (eviction) needed to  
20 mitigate damages where the tenant fails to pay rent and then went a  
21 step further by proclaiming that such nonpayment could not be enforced  
22 as a debt or legal obligation. Every month a housing provider is  
23 prevented from renting its unit to a paying tenant is a month for which  
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1 the housing provider cannot mitigate any damages. This Eviction  
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3 Moratorium forces owners to allow tenants who have stopped paying  
4 and to continue to occupy their units for many months and likely well  
5 into 2021 and beyond. Because unpaid rent is declared to not be an  
6  
7 enforceable debt or obligation under the Proclamations, there is no hope  
8  
9 for housing providers to be made whole.

10 27. The impact of the Proclamations is thus particularly devastating  
11 because housing providers are forced to give up collection of rent and  
12  
13 effectively give interest-free loans of an indefinite time period to tenants  
14 regardless of whether those tenants have any Pandemic-related  
15  
16 inability to pay. The Proclamations also require housing providers to  
17 financially support their tenants during the Pandemic by subsidizing  
18  
19 tenants' rent, utilities and other charges without any support to the  
20  
21 housing provider.

22 28. As set forth below, this action requests the Court to declare the  
23 Proclamations in the 20-19 series illegal and unenforceable because  
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25 they violate the United States and Washington Constitutions, on the  
26  
27 grounds that they improperly interfere with Plaintiffs' contracts and

1 due process rights and constitute an improper uncompensated taking of  
2 the fundamental property rights of Plaintiffs, and such taking is  
3 unconstitutional because it is for the private use of tenants and not a  
4 public use.  
5

6  
7 29. If allowed to stand, the Proclamations will not only continue to  
8 violate Plaintiff's rights under both the Washington and United States  
9 Constitutions, but will continue to inflict massive and widespread  
10 economic damage on housing providers throughout the State, while  
11 unconstitutionally shifting the entire economic burden of the Pandemic  
12 as it relates to housing onto the backs of owners of rental housing,  
13 including Plaintiffs, who have already been financially impacted by the  
14 Pandemic. Plaintiffs similarly rely on rental income to maintain and  
15 secure their properties. Plaintiffs are also required to pay the  
16 substantial property taxes, utility fees and other assessments on their  
17 respective properties, which taxes, fees and assessments rely on a flow  
18 of rental income.  
19

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21 30. Moreover, the Proclamations are not "narrowly tailored" to  
22 further any compelling governmental interest. On the contrary, while  
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24

1 the Proclamations were ostensibly intended to protect tenants from  
2 being evicted due to their inability to pay rent, this goal could have been  
3 achieved by far less intrusive means, including, but not limited to: (a)  
4 permitting the courts to hear each case on its own merits and fashion  
5 relief appropriate to the specific positions of the affected housing  
6 providers and tenants, thereby protecting tenants from immediate  
7 eviction but also providing protection to housing providers from  
8 excessive periods of non-payment; (b) requiring tenants to substantiate  
9 the criteria for qualifying for protection under the Proclamations  
10 through documentation or other evidence; (c) providing housing  
11 providers an opportunity to challenge a tenant's claimed qualification  
12 for protection under the Proclamations; (d) providing tenants with the  
13 means to pay rent in order to satisfy the State's tenant protection goals,  
14 without requiring housing providers owners to bear the burden of  
15 significant non-payment of rent; and/or (e) compensating housing  
16 providers when a tenant fails to pay rent.

24 31. Instead, the Proclamations remove any remedy for housing  
25 providers when tenants do not pay rent (or violate rules) and they give  
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1 tenants a present sense that they are not contractually bound to pay  
2 **any** portion of rent for an indefinite period of time. The Proclamations  
3 prohibit any legal means by which housing providers, such as Plaintiffs,  
4 can continue to collect rent from those with the ability to pay even a  
5 portion of their rent.  
6

7  
8 32. Accordingly, Plaintiffs bring this action challenging the  
9 constitutionality of the Proclamations, which have deprived Plaintiffs of  
10 their fundamental rights and liberties embodied in both the  
11 Washington and United States Constitutions. In doing so, Plaintiffs  
12 seek the following remedies:  
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15 a. Equitable and injunctive relief to enjoin the Governor's and  
16 Attorney General's enforcement of the Proclamations;  
17

18  
19 b. Declaratory relief from this Court that the Proclamations violate  
20 Plaintiffs' constitutional rights as follows:  
21

22 i. The Proclamations violate the Contracts Clause of Article I, Section  
23 10 of the United States Constitution;  
24

25 ii. The Proclamations violate the federal constitutional right to be  
26 free from arbitrary, capricious, unreasonable or unduly oppressive  
27

1 regulations of their property inherent in the Due Process Clause  
2 protection of the Fourteenth Amendment of the United States  
3 Constitution;  
4

5       iii. The Proclamations violate the taking of property protection of the  
6 Fifth Amendment to the United States Constitution and Article I,  
7 Section of 16 of the Washington constitution in that the taking is  
8 without just compensation and is for a private, not public, use;  
9

10       iv. And the Proclamations are illegal as violations of Plaintiff's  
11 federal civil rights under 42 U.S.C. § 1983 of the Federal Civil Rights  
12 Act ("Section 1983") because of the federal constitutional violations  
13 inherent in the Proclamations which were undertaken under color of  
14 state law; and  
15

16       c. Attorney's fees and costs for the work performed by Plaintiff's  
17 counsel in this lawsuit in an amount according to proof; and  
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19       d. For such other and further relief as this Court deems just and  
20 appropriate.  
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1 FIRST CLAIM FOR RELIEF

2 Violation of the Contracts Clause, Art. 1, § 10 of the United States  
3  
4 Constitution (Declaratory Relief Under 42 U.S.C. § 1983)  
5

6 33. Plaintiffs incorporate herein by reference each and every  
7 allegation contained in the preceding paragraphs of this Complaint as  
8 though fully set forth herein.  
9

10 34. Because Defendants are sued only for prospective declaratory and  
11 injunctive relief, they constitute “persons” who are potentially liable  
12 under the Civil Rights Act, 42 U.S.C. Section 1983. *Hafer v. Melo*, 502  
13 U.S. 21 (1991).  
14

15 35. Any relief afforded to tenants that is justified by the public health  
16 emergency, in order not to contravene Plaintiffs’ constitutional rights,  
17 can only be of character appropriate to that emergency and granted  
18 only upon reasonable conditions. *Home Bldg. & Loan Ass’n v. Blaisdell*,  
19 290 U.S. 398, 445 (1934). In cases of leases, the Supreme Court has  
20 observed that relief may be appropriate where “the relief afforded was  
21 temporary and conditional; that it was sustained because of the  
22 emergency due to scarcity of housing; *and that provision was made for*  
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1 *reasonable compensation to the landlord during the period he was*  
2 *prevented from regaining possession.” Id. at 441-442 (emphasis*  
3 *added).*

4  
5 36. Here, however, the Proclamations are neither “appropriate,” nor  
6 granted upon “reasonable conditions.” The relief afforded is neither  
7 temporary nor conditional. Nor do the Proclamations provide for  
8 “reasonable compensation” to housing providers. Indeed, the Eviction  
9 Moratorium expressly allows tenants to remain in possession without  
10 paying any rent during the emergency period. The Proclamations are  
11 not reasonable or appropriate to any legitimate end. *Blaisdell*, 290 U.S.  
12 at 438.

13  
14 37. The Proclamations have caused damage to Plaintiffs who have  
15 no remedies available to them by which to recover the losses caused by  
16 their tenants’ non-payment of rent.

17  
18 38. “To be sure, individual rights secured by the Constitution do not  
19 disappear during a public health crisis.” *In re Abbott*, 954 F.3d 772, 784  
20 (5th Cir. 2020). Fundamental and unalienable rights are by their very  
21 nature “essential” – they are the same essential rights which led to the

1 founding of this country and this state. For, “[h]istory reveals that the  
2 initial steps in the erosion of individual rights are usually excused on  
3 the basis of an ‘emergency’ or threat to the public. But the ultimate  
4 strength of our constitutional guarantee lies in the unhesitating  
5 application in times of crisis and tranquility alike.” *United States v.*  
6 *Bell*, 464 F.2d 667, 676 (2d Cir. 1972) (Mansfield, J., concurring).

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10 39. “Emergency does not create power. Emergency does not increase  
11 granted power or remove or diminish the restrictions imposed upon  
12 power granted or reserved. The Constitution was adopted in a period of  
13 grave emergency. Its grants of power to the federal government and its  
14 limitations of the power of the States were determined in light of  
15 emergency, and they are not altered by emergency. What power was  
16 thus granted and what limitations were thus imposed are questions  
17 which have always been, and always will be, the subject of close  
18 examination under our constitutional system.” *Blaisdell*, 290 U.S. at  
19 426.

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24 40. The Contracts Clause, Art. 1, § 10, of the United States  
25 Constitution, provides: “No State shall . . . pass any . . . Law impairing  
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1 the Obligation of Contracts.” The Contracts Clause applies to cities and  
2 prohibits cities from enacting ordinances that substantially impair  
3 Plaintiff’s existing, lawful contracts.  
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5 41. The Ninth Circuit Court of Appeals has ruled that Contracts  
6 Clause violations are indeed actionable under 42 U.S.C. § 1983.  
7 Specifically, the Ninth Circuit has stated: “The right of a party not to  
8 have a State, or a political subdivision thereof, impair its obligations of  
9 contract is a right secured by the first article of the United States  
10 Constitution. A deprivation of that right may therefore give rise to a  
11 cause of action under section 1983.” *Southern California Gas Co. v. City*  
12 *of Santa Ana*, 336 F.3d 885, 887 (9th Cir. 2003).  
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17 42. In determining whether a contractual impairment is substantial,  
18 courts consider “the extent to which the law undermines the contractual  
19 bargain, interferes with a party’s reasonable expectations, and prevents  
20 the party from safeguarding or reinstating his rights.” *Sveen v. Melin*,  
21 138 S.Ct. 1815, 1822 (2018). The eviction ban substantially impairs  
22 residential leases because the ability to evict is a cornerstone of the  
23 contractual bargain, destroys the housing providers’ reasonable  
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1 expectations and completely prevents the owner from safeguarding his  
2 or her investment and reinstating its rights to payment or possession.  
3

4 43. “Contracts ... are impaired within the meaning of the  
5 Constitution (article I, § 10, cl. 1) whenever the right to enforce them by  
6 legal process is taken away or materially lessened.” *Lynch v. United*  
7 *States*, 292 U.S. 571, 580 (1934). And deprivation of the remedy to  
8 enforce a contractual obligation has long remained a substantial  
9 impairment. “[I]t is manifest that the obligation of the contract, and the  
10 rights of the party under it, may, in effect, be destroyed by denying a  
11 remedy altogether.” *Bronson v. Kinzie*, 42 U.S. 311, 317 (1843). That is  
12 exactly what the Proclamations do.  
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17 44. If a court determines that a law works a substantial impairment,  
18 it then considers “whether the state law is drawn in an ‘appropriate’  
19 and ‘reasonable’ way to advance ‘a significant and legitimate public  
20 purpose.’” *Sveen*, 138 S.Ct. at 1822 (quoting *Energy Reserves Grp., Inc.*  
21 *v. Kansas Power & Light Co.*, 459 U.S. 400, 411-12 (1983)). A law that  
22 provides a “benefit to special interests” is not appropriate or reasonable.  
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26 *Id.* at 412.  
27

1 45. Whereas here a law substantially impairs a contract, the public  
2 entity bears the burden of showing that the impairment is both  
3 reasonable and necessary. *United States Trust Co. v. New Jersey*, 431  
4 U.S. 1, 31 (1977).  
5

6  
7 46. A Contract Clause analysis follows three steps. *See RUI One*  
8 *Corp. v. City of Berkeley*, 371 F.3d 1137, 1147 (9th Cir. 2004). First, a  
9 court examines whether the law creates a “substantial impairment” of  
10 contractual obligations. *Id.* (quoting *Allied Structural Steel Co. v.*  
11 *Spannaus*, 438 U.S. 234, 244 (1978)). If yes, then the court asks  
12 whether the government has a “significant and legitimate public  
13 purpose” designed to solve a “broad and general social or economic  
14 problem” as opposed to offering “a benefit to special interests.” *Id.*  
15 (quoting *Energy Res. Group, Inc. v. Kan. Power & Light Co.*, 459 U.S.  
16 400, 412 (1983)). If so, then the court asks whether the law “is based  
17 upon reasonable conditions and is of a character appropriate to the  
18 public purpose justifying the legislation’s adoption.” *Id.* (quoting *United*  
19 *States Trust Co. v. New Jersey*, 431 U.S. 1, 22 (1977)).  
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1       47. The Eviction Moratorium causes a substantial impairment of  
2 residential lease agreements by removing all practical remedies for  
3 contractual violations. It offers a benefit to a particular group—  
4 residential tenants—at the expense of the housing providers, rather  
5 than the public as a whole.  
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8       48. A substantial impairment of a contract must be “tailored to the  
9 emergency that it was designed to meet.” *Allied Structural Steel Co.*,  
10 438 U.S. at 242. And it is unnecessary and unreasonable when “an  
11 evident and more moderate course would serve [the state’s] purposes  
12 equally well.” *United States Trust of New York*, 431 U.S. at 31. The  
13 current Proclamation claims as its rationale the unemployment  
14 prompted by Pandemic-related business shutdowns is likely to make it  
15 difficult for tenants to pay rent.  
16

17       49. But removal of the contractual remedy is not tailored to this  
18 emergency. It prohibits evictions regardless of a tenant’s employment or  
19 ability to pay. Not only is the contractual right to receive payment  
20 jeopardized—a housing provider cannot evict a tenant for violations of a  
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1 lease unrelated to rent, such as rules related to the welfare of other  
2 tenants.  
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4 50. The Proclamations' ban on rent collection is not tailored to the  
5 emergency either. Housing providers are prohibited from treating  
6 unpaid rent as an enforceable debt and bringing a breach-of-contract  
7 action. But the Governor's interests in preventing homelessness are not  
8 furthered by preventing the housing provider from bringing an action to  
9 recover overdue rent.  
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12 51. Under these standards, the Proclamations violate the Contracts  
13 Clause of the United States Constitution. The Eviction Moratorium  
14 fundamentally overturns the contractual bargains struck between  
15 Plaintiffs and their tenants by effectively relieving the tenants of their  
16 obligation to pay rent and comply with other provisions of their leases  
17 and leaving housing providers, like Plaintiffs, without any recourse for  
18 an undetermined period of time. Under the Eviction Moratorium,  
19 housing providers are required to allow tenants to remain on the  
20 properties rent free for an unspecified duration of time, thus depriving  
21 Plaintiffs of the opportunity to collect any portion of rent from their  
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1 current tenants, or otherwise rent their properties to tenants who can  
2 pay rent. Such Proclamations are the quintessential “substantial”  
3 impairment, as they “undermine the contractual bargain, interferes  
4 with a party’s reasonable expectations, and prevents the party from  
5 safeguarding or reinstating his rights.” *Sveen*, 138 S.Ct. at 1822. As a  
6 result of the issuance and enforcement of the Proclamations,  
7  
8 Defendants have violated Plaintiff’s constitutional rights to the free use  
9 of their properties. The Proclamations abrogate Plaintiff’s contractual  
10 rights in that they permit tenants to unilaterally violate the terms of  
11 their leases, without the housing provider’s consent.  
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16 52. The Eviction Moratorium further unilaterally rewrites all  
17 residential leases within the State of Washington. The complete  
18 obliteration of Plaintiffs’ contracts and tenants’ obligations to pay rent  
19 under such contracts is not a reasonable way of achieving any  
20 legitimate purpose. Accordingly, the contractual impairments  
21 effectuated by the enactment and enforcement of the Proclamations  
22 violate the Contracts Clause and are thus unconstitutional.  
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1       53. In applying the Proclamations to the Plaintiffs, the Governor has  
2 acted under color of state law. The Governor's conduct has deprived  
3 Plaintiffs of the rights, privileges, and immunities secured by the  
4 United States Constitution and/or laws of the United States to which  
5 Plaintiffs are and were legitimately entitled. The Attorney General  
6 should not be allowed to enforce the current Proclamation.  
7  
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10       54. Unless the Attorney General and Governor are enjoined and  
11 restrained from enforcing or threatening to enforce the Proclamations,  
12 Plaintiffs will be irreparably injured. Plaintiffs will be deprived of rights  
13 guaranteed under the United States Constitution, and will continue to  
14 suffer substantial loss of rents, profits, and good will, the nature and  
15 extent of which will be extremely difficult or impossible to ascertain.  
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19       55. Finally, the Governor's conduct has required Plaintiffs to incur  
20 attorneys' fees and costs of suit to bring this action, and Plaintiffs are  
21 entitled to attorneys' fees and costs under 42 U.S.C. § 1983 *et seq.* and  
22 42 U.S.C. § 1988(b).  
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Violation of the Takings Clause of the Fifth Amendment to the  
United States Constitution  
(Declaratory relief under 42 U.S.C. § 1983)

57. The Takings Clause, present in the Fifth Amendment to the United States Constitution, provides that private property shall not “be taken for public use, without just compensation.” Fifth Amendment to the U.S. Constitution.

FIRST AMENDED COMPLAINT - 29

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1 taking in which government directly appropriates private property or  
2 ousts the owner from his domain.” *Id.* at 539.  
3

4 59. The United States Supreme Court has repeatedly acknowledged  
5 that takings liability under the Fifth Amendment to the United States  
6 Constitution may be redressed under 42 U.S.C. § 1983.  
7

8 60. The Proclamations referenced herein fall squarely within the  
9 “physical occupation” line of cases the United States Supreme Court has  
10 held constitute “per se” categorical takings for which the government is  
11 required to pay “just compensation.” The Proclamations force housing  
12 providers who own the rented property to accept the occupation of  
13 tenants without any payment of rent or compliance with rules  
14 concurrent with the occupancies. The Proclamations do nothing to  
15 protect Plaintiffs from losses they have and will undoubtedly continue  
16 to sustain when such tenants are unable to pay their rental obligations  
17 in the future or to compensate Plaintiffs for the rent they could have  
18 obtained from new paying tenants if the State did not indefinitely ban  
19 evictions. This is exacerbated by the fact that housing providers still  
20 have obligations to pay for sewer, water and garbage removal for the  
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1 nonpaying tenant. The Governor's Proclamation has thus eliminated  
2 the housing providers' fundamental constitutional right to exclude  
3 nonpaying or rule-breaking tenants from their respective properties. As  
4 Justice Thurgood Marshall proclaimed in *Loretto v. Teleprompter*  
5 *Manhattan CATV Corp.*, 458 U.S. 419, 436 (1982), "property law has  
6 long protected an owner's expectation that he will be relatively  
7 undisturbed at least in the possession of his property" and "[t]o require,  
8 as well, that the owner permit another to exercise complete dominion  
9 literally adds insult to injury." As the Supreme Court acknowledged,  
10 "our cases uniformly have found a taking to the extent of the occupation,  
11 without regard to whether the action achieves an important public  
12 benefit or has only minimal impact on the owner." *Id.* at 435.

13  
14 61. The Proclamations and the enforcement thereof have caused a  
15 regulatory and physical taking of Plaintiffs properties without just  
16 compensation in violation of the Takings Clause of the Fifth  
17 Amendment to the U.S. Constitution.

18  
19 62. Not only do the Proclamations take property interests of  
20 Plaintiffs without payment of just compensation, the taking of these  
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1 property interests are not for public use but for the private use of  
2 tenants. In fact, residential tenancies are for private uses and the public  
3 has no right to use them for any purpose. Because the taking of  
4 Plaintiffs' property by the Proclamations is for private and not public  
5 use, it is barred by the Fifth and Fourteenth Amendments to the United  
6 States Constitution.  
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9  
10 63. Plaintiffs have no adequate remedy at law and will suffer serious  
11 and irreparable harm to their constitutional rights unless the Governor  
12 is enjoined from implementing and enforcing the Eviction Moratorium.  
13

14 64. Pursuant to 42 U.S.C. §§ 1983 and 1988, Plaintiffs are entitled to  
15 declaratory relief and temporary, preliminary, and permanent  
16 injunctive relief invalidating and restraining enforcement of the  
17 Eviction Moratorium.  
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20 65. Plaintiff found it necessary to engage the services of private  
21 counsel to vindicate the rights of its members under the law. Plaintiffs  
22 are therefore entitled to an award of attorney's fees pursuant to 42  
23 U.S.C. § 1988.  
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66. Plaintiffs incorporate herein by reference each and every allegation contained in the preceding paragraphs of this Complaint as though fully set forth herein.

67. Article I, Section 16 of the Washington Constitution provides that just compensation be provided prior to any taking of property for public use and prohibits taking of private property for private use.

68. Washington courts have routinely held that the Washington Constitution provides just compensation to property owners when their land is taken because the law seeks to bar the government from forcing some people alone to bear public burdens which, in all fairness and justice, should be borne by the public as a whole. “The talisman of a taking is government action which forces some private persons alone to shoulder affirmative public burdens, ‘which, in all fairness and justice, should be borne by the public as a whole.’” *Mission Springs, Inc. v. City*

1 *of Spokane*, 134 Wn.2d 947, 964 (1998) (quoting *Armstrong v. United*  
2 *States*, 364 U.S. 40, 49 (1960)).  
3

4 69. Moreover, the principle behind the concept of just compensation  
5 for property taken for public use is to put the owner in as good a  
6 position financially as he or she would have occupied if his or her  
7 property had not been taken. *Central Puget Sound Regional Transit*  
8 *Authority v. Heirs and Devisees of Eastey*, 135 Wn. App. 446, 455  
9 (2006).  
10  
11

12  
13 70. Prohibiting Plaintiffs from rightfully collecting rent from their  
14 tenants in the State of Washington, in exchange for the tenants' lawful  
15 possession of Plaintiffs' properties, despite other compliance measures  
16 being taken to satisfy the public health interests at stake and to  
17 financially compensate those affected by COVID-19, violates Plaintiffs'  
18 fundamental Constitutional rights.  
19  
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21 71. Additionally, the taking of Plaintiffs' property interests are not  
22 for public use at all, but for the private use of tenants. No member of  
23 the public, much less the public as a whole, has a right to use those  
24 tenancies or avoid paying rent for occupying a property. Unlike the  
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1 Fifth Amendment to the United States Constitution, Article I, Section  
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3 16 of the Washington constitution is explicit: “Private property shall  
4 not be taken for private use.” *See also State ex rel. Washington State*  
5 *Convention and Trade Center v. Evans*, 136 Wn.2d 811 (1998) (“The  
6 constitution prohibits the taking of private property for a private use.”)  
7  
8 The Proclamations are in violation of the explicit prohibition in Article I,  
9  
10 Section 16 of the Washington state constitution on the state taking  
11 private property for private use.

12  
13 72. Plaintiffs seek a declaratory judgment of rights and obligations  
14 under the Washington Uniform Declaratory Judgment Act, Chapter  
15 7.24 Rev. Code of Wa. and Civil Rule 57. An actual dispute exists  
16  
17 between Plaintiffs and Defendants whose interests are genuinely  
18  
19 opposing in nature. These disputed interests are direct and substantial.  
20  
21 A judicial determination can provide a final and conclusive resolution as  
22  
23 to the parties’ rights and responsibilities.  
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1 **FOURTH CLAIM FOR RELIEF**

2 **Violation of the Due Process Clause of the Fourteenth**  
3  
4 **Amendment (Declaratory relief under 42 U.S.C. § 1983)**

5 73. Plaintiffs incorporate herein by reference each and every  
6  
7 allegation contained in the preceding paragraphs of this Complaint as  
8  
9 though fully set forth herein.

10 74. The Due Process Clause of the Fourteenth Amendment to the  
11  
12 United States Constitutions stands as an additional constitutional  
13  
14 hurdle to the Governor's enactment of the Proclamations. The Due  
15  
16 Process Clause "provides heightened protection against government  
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18 interference with certain fundamental rights and liberty interests,"  
19  
20 including the "specific freedoms protected by the Bill of Rights" and  
21  
22 "those fundamental rights and liberties which are, objectively, 'deeply  
23  
24 rooted in this Nation's history and tradition,'" such as rights in  
25  
26 property. *Washington v. Glucksberg*, 521 U.S. 702, 720-721 (1997)  
27  
28 (quoting *Moore V. E. Cleveland*, 431 U.S. 494, 502 (1977)). Thus while  
the "police power" of the government may be broad, it "must be  
exercised within a limited ambit and is subordinate to constitutional

1 limitations.” *Panhandle E. Pipe Line Co. v. St. Highway Comm’n of*  
2 *Kansas*, 294 U.S. 9 613, 622 (1935).  
3

4 75. The State’s police power therefore does not afford “unrestricted  
5 authority to accomplish whatever the public may presently desire.”  
6

7 *Panhandle E. Pipe Line Co. v. St. Highway Comm’n of Kansas*, 294 U.S.  
8 613, 622 (1935). Instead, “[i]t is the governmental power of self-  
9 protection and permits reasonable regulation of rights and property in  
10 particulars essential to the preservation of the community from injury.”  
11

12 *Id.*  
13

14 76. Therefore, “a regulation that fails to serve any legitimate  
15 governmental objective may be so arbitrary or irrational that it runs  
16 afoul of the Due Process Clause.” *Lingle*, 544 U.S. at 542; *Rea v.*  
17 *Matteucci*, 121 F.3d 483, 485 (9th Cir. 1997) (under Due Process Clause  
18 a “federal interest remains in protecting the individual citizen from  
19 state action that is wholly arbitrary or irrational”). Furthermore, a law  
20 violates the Due Process Clause if it “fails to provide a person of  
21 ordinary intelligence fair notice of what is prohibited, or is so standard  
22 less that is authorizes or encourages seriously discriminatory  
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1 enforcement.” *F.C.C. v. Fox Television Stations, Inc.*, 567 U.S. 239, 253  
2 (2012) (quoting *United States v. Williams*, 25 553 U.S. 285, 306 (2008)).  
3

4 77. The Proclamations and enforcement thereof, violate Plaintiffs’  
5 substantive due process rights secured by the Fourteenth Amendment  
6 to the U.S. Constitution. Under the Due Process Clause of the  
7 Fourteenth Amendment, no State shall “deprive any person of life,  
8 liberty, or property, without due process of law.” The fundamental  
9 liberties protected by the Due Process Clause include most of the rights  
10 enumerated in the Bill of Rights. *Duncan v. Louisiana*, 391 U.S. 145,  
11 147-149 (1968). In addition, these liberties extend to personal choices  
12 central to individual dignity and autonomy, including personal choices  
13 regarding one’s choice of livelihood. Additionally, housing providers are  
14 denied access to the courts for relief, which is another due process  
15 violation.  
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22 78. The Proclamations, which expressly deprive Plaintiffs of their  
23 rights and liberties in the use of their properties, did not afford  
24 Plaintiffs a constitutionally adequate hearing to present their case to  
25 disallow the Eviction Moratorium, and specifically the unreasonable  
26  
27

1 prohibition on the collection of rent and termination of rightful eviction  
2 processes. As a result of the Proclamations, Plaintiffs are unjustifiably  
3 prevented from being able to rightfully use their properties and  
4 mitigate damages where tenants fail to pay rent. At a minimum,  
5 Plaintiffs aver that Plaintiffs should be able to continue to collect rent  
6 from those tenants that are able to pay even a reasonable portion of the  
7 total amount of rent due and owing, and should be allowed a forum to  
8 contest a tenant's claim concerning qualifications for protections under  
9 the Proclamations. *Home Bldg. & Loan Ass'n v. Blaisdell*, 290 U.S. 398,  
10 445 (1934).  
11  
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16 79. Because the Governor's decision in issuing the Proclamations was  
17 made in reliance on procedurally deficient and substantively unlawful  
18 processes, Plaintiffs were directly and proximately deprived of the  
19 rightful use of their properties, and consequently, their ability to  
20 lawfully operate their properties without unconstitutional government  
21 overreach.  
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25 80. Because the Governor's decisions were made without regard to  
26 the United States and Washington Constitutions, Plaintiffs were  
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1 directly and proximately deprived of their property rights absent  
2 substantive due process of law, in violation of the Fourteenth  
3 Amendment to the United States Constitution.

4  
5 81. Plaintiffs have no adequate remedy at law and will suffer  
6 continued serious and irreparable harm to their constitutional rights  
7 unless the Defendant is enjoined from implementing and enforcing the  
8 Eviction Moratorium in the Proclamations.  
9

10  
11 82. Pursuant to 42 U.S.C. §§ 1983 and 1988, Plaintiffs are entitled to  
12 declaratory relief and temporary, preliminary, and permanent  
13 injunctive relief invalidating and restraining enforcement of the  
14 Proclamations.  
15

16  
17 83. Plaintiffs find it necessary to engage the services of private  
18 counsel to vindicate its rights under the law. Plaintiffs are therefore  
19 entitled to an award of attorney's fees pursuant to 42 U.S.C. § 1988.  
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21  
22 **REQUESTED RELIEF**

23 WHEREFORE, Plaintiffs request that this Court:

24 1. Issue a declaratory judgment that the Proclamations are null and  
25 void, and of no effect, as:  
26  
27



1 a. arbitrary and capricious, an abuse of discretion, or otherwise not  
2 in accordance with the United States and/or Washington Constitutions  
3 as violating of the Contracts Clause of Article I, Section 10 of the United  
4 States Constitution;  
5

6  
7 b. unconstitutional under the Fifth Amendment;

8 c. unconstitutional under the Fourteenth Amendment;

9  
10 d. a violation of 42 U.S.C. § 1983 as a deprivation of Plaintiff's  
11 members' rights, privileges, and immunities secured by the United  
12 States Constitution and/or laws of the United States.  
13

14 2. Permanently enjoin the Governor and Attorney General and all  
15 persons and entities in active concert or participation with them from  
16 enforcing the Proclamations;  
17

18 3. Award Plaintiff its costs and reasonable attorney's fees incurred in  
19 this action pursuant to 42 U.S.C. § 1988 and other applicable law; and  
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21 4. Grant all other such relief to Plaintiffs as the Court may deem  
22 proper and just.  
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1 Dated this 29<sup>th</sup> day of April, 2021,

2  
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